

Amendment No. 1 to SB2010

Kelsey  
Signature of Sponsor

**AMEND Senate Bill No. 2010\***

**House Bill No. 1930**

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 13-6-106(k), is amended by deleting the following language:

These costs as approved by the court shall be considered a first lien on the property, which, with the exception of those for federal, state, and local taxes and assessments, shall be superior to all prior and subsequent liens or other encumbrances associated with the building or the property. The interested party or receiver shall be responsible for recording a certified copy of the judgment with the county recorder in the county in which the property is located within sixty (60) calendar days after the date of the entry of the judgment. Once the lien is perfected and the owner has satisfied the lien, then the court shall order the receivership terminated.

and by substituting instead the following:

These costs as approved by the court shall be considered a first lien on the property, which shall be superior to all prior and subsequent liens or other encumbrances associated with the building or the property, including those for state and local taxes and assessments, provided that the property at issue has been found by the court to be an insolvent property and provided that the court, after a hearing, notice of which has been provided to proper state and local taxing authorities, has determined that such state and local taxes and assessments are uncollectible. The interested party or receiver shall be

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responsible for recording a certified copy of the judgment with the county recorder in the county in which property is located within sixty (60) calendar days after the date of the entry of the judgment. Once the lien is perfected and the owner has satisfied the lien, then the court shall order the receivership terminated. The county trustee shall be allowed a credit pursuant to § 67-5-1903(b)(1) for any local taxes and assessments which the Court has deemed uncollectible pursuant to this section.

SECTION 2. Tennessee Code Annotated, Section 13-6-102, is amended to by adding the following new subdivisions:

( ) "Insolvent property" means property subject to real property tax liens, fines or penalties, or to special assessments or improvement district liens, or other similar liens securing obligations in excess of the amount for which the property could reasonably be sold to a private purchaser at tax sale.

( ) "Uncollectible" means tax liens, fines or penalties, special assessments or improvement district liens, and/or other similar liens attached to real property for which there is no substantial likelihood of ever being collected by the lienholder in the use of reasonable efforts to collect them.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.